GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

STARRED QUESTION NO:482
ANSWERED ON:29.04.2002
QUANTATIVE RESTRICTIONS ON IMPORT OF AGRICULTURAL PRODUCTS
MAHBOOB ZAHEDI

Will the Minister of AGRICULTURE be pleased to state:

(a) whether due to import of agricultural products as a result of removal of quantitative restrictions there is a steep fall in prices of indigenous agricultural products;

(b) if so, whether the developing countries including India are planning to take up the matter with WTO for exemption from quantitative restrictions; and

(c) if so, the details thereof?

Answer

MINISTER OF AGRICULTURE (SHRI AJIT SINGH)

(a) to (c): A statement is laid on the Table of the House.

STATEMENT REFFERED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA STARRED QUESTION NO.482 DUE FOR REPLY ON 29TH APRIL, 2002.

(a) to (c): The prices of agricultural products depend on demand and supply and various other macro economic factors. It will thus not be correct to attribute, in general, the decline or rise in prices of agricultural products to any one factor.

The wholesale prices of different agricultural commodities show a mixed trend. Some commodities like wheat, jowar, bajra, ragi, maize, moong, gram and masoor have shown a rising trend. On the other hand the WPI of some agriculturalcommodities and products like rice, barley, urad, arhar, sugar and cotton have shown a decline in the past one year. The wholesale price index (WPI) on agricultural commodities rose by 3.5% over the year as on 6th April, 2002.

In the wake of removal of Quantitative Restrictions (QRs), Government haveput in place a suitable mechanism for monitoring the import of sensitive items and are committed to provide adequate protection to the domestic producers by resorting to various WTO compatible measures which include calibration of applied tariffs within bound tariffs, anti-dumping and safeguard action and imposition of countervailing duties under certain specified circumstances.

In its initial negotiating proposals India has sought Special safeguardmechanism along with a provision for imposition of temporary Quantitative Restrictions under specified circumstances in the event of a surge in the imports or a decline in prices and to ensure the food & livelihood security of the people.